



W

b
n
fo

Doc no 20287
1861

1894

85-2
87

THE IMPERIAL FEDERATION LEAGUE IN CANADA.

To

DEAR SIR,

The following considerations are presented to the members of the League in Canada in support of a resolution which will be moved at the annual meeting, 1894, to this effect:

"That the Imperial Federation League in Canada believes that the time has arrived when the United Kingdom of Great Britain and Ireland and the great self-governing colonies of the Empire should federate, by combining on an equitable basis their respective resources for the maintenance of common interests, and by adequately providing for an organized defence of common rights.

"That the responsibilities of such a federation can be most conveniently borne by providing a revenue for Imperial Defence from a small uniform ad valorem duty on all importations from foreign countries, with few exceptions.

"That in view of the dissolution of the Council of the League in England, the Imperial Federation League in Canada is ready to co-operate with any organization in Great Britain which will make a federation upon such a basis an essential part of its policy."

Up to the present time the question has been discussed from various points of view, both in its political and in its commercial aspect. Whilst much light has been thrown upon the subject by this discussion, the result, according to the December number of the Journal, has been to bring out such acute differences of opinion (presumably on the trade question) that the members of the Council of the League in England find it impossible or inexpedient to work together any longer.

It is submitted that one essential and fundamental condition of any agreement for federation which may be ultimately arrived at between Great Britain and her great self-governing colonies is, that it must be permanent; or at all events that no one of the parties to it shall be at liberty to terminate or vary it without the consent of the others.

Two alternatives would appear to present themselves.

1. An agreement having reference to mutual defence only.

(a) Each party to contribute its just proportion to a joint defence fund and to be at liberty to raise the amount necessary for that contribution in any way it pleases.

(b) The defence fund to be raised by some modification of the plan known as the Hofmeyer scheme. This scheme would to a considerable extent fulfil the idea of preferential trade, in so far as the imposition of an all-round tax on imports from foreign nations would afford incidental protection, but this would only be incidental, the object of the tax being to raise a fund for defence; the agreement would not otherwise in any way affect the rights of the parties to adjust their tariffs as they do at present.

2. An agreement uniting mutual defence with some form of Commercial Union.

Whether it is desirable for the Imperial Federation League to take up the proposition upon the basis of the first or upon the basis of the last of these alternatives depends chiefly upon whether or not some form of a permanent Commercial Union is a fundamental condition, without which no political federation is possible.

If an agreement based upon the first alternative is sufficient, it would leave the parties free from time to time to enter into such commercial treaties between themselves as might be found desirable, having regard to the changing demands of commerce, and should the parties, after a sufficient time to enable them to decide, conclude to make a treaty upon an inter-imperial free trade basis for a long or short period, they would be quite free to do so, it being understood that such a commercial treaty, being temporary in its character, cannot form the basis of a permanent political federation agreement.

On the other hand, if some form of Commercial Union of a permanent character must form an indispensable condition and part of any federation agreement between Great Britain and her colonies, then we must at once face the question, what does a Commercial Union between Great Britain and her colonies involve, so far as Canada is concerned? It is submitted that it must mean a common tariff, because otherwise goods might be shipped from a foreign country to the British country having the lower tariff, and then by re-shipment to the country having the higher tariff escape a large part of the duty. With existing tariffs goods could be profitably shipped from the United States to Great Britain and back again to Canada if there was no tariff between Great Britain and Canada.

It means a central body to make that tariff, and it can have no other meaning, whether the Commercial Union be upon an inter-imperial free trade, or any other basis, so that for Canada it would mean the surrender by the Parliament of Canada to an Imperial body, of the power to fix the tax on all imports. That question was pretty thoroughly discussed in relation to the proposed Commercial Union of Canada with the United States. It would also mean for Canada (unless England and the rest of the Empire should revert to an adequate policy of protection, which is in the highest degree improbable) a complete change in her mode of raising a revenue for Dominion purposes, which would necessitate a resort to direct taxation.

The Imperial Federation League has heretofore given to the world the principles upon which the League was united; one of these principles is contained in the following resolution passed at a conference held in London, 18th November, 1884: "That no scheme of Imperial Federation should interfere with the existing rights of Local Parliaments as regards local affairs." Would not there be the most serious interference if the right of regulating our own tariff for the purpose of Dominion revenue were surrendered by the Parliament of Canada for all time?

On the one hand, it must be conceded that the people of England are the best judges of what fiscal policy suits their conditions best, and whilst conceding that, we in Canada must claim for ourselves to be the best judges of what our fiscal requirements are from time to time.

It is quite possible that, after all, the true interests of Canada, in the long run, lie in her adopting a free trade policy, but up to the present time Canadian public sentiment has not been educated up to that point, and it must be obvious that at the present rate of progress in that direction, it will be some considerable time before it is reached. It should be constantly borne in mind that a free trade policy involves direct taxation for revenue purposes.

There are some who profess to think that the people of Great Britain, though at present wedded to a free trade policy, will be forced at no distant date to revert to protective principles in some modified form; but neither of the great political parties in Great Britain have as yet ventured to make such a change a plank in their platforms. On the other hand the working out of protective principles in the United States may, with some show of reason at all events, be charged with having landed that country in its present unsatisfactory financial condition. However that may be, there can be no doubt that, if any agreement is to be reached between Great Britain, Canada, and the other self-governing colonies on the lines of Commercial Union, within any measurable distance of time, it will be necessary for Canada in a great measure to relinquish her present fiscal policy and to adopt that of Great Britain. And in case this is unlikely, are we of the League in Canada in the meantime to wait, striving to harmonize the existing divergencies of opinion, or should we not rather endeavor to consummate a permanent political union, which might be further cemented by preferential commercial treaties to be entered into between Great Britain and the self-governing colonies as circumstances permit?

To those of the League in Canada who may object that such a policy is a shelving of the trade question by the League and an abandonment of the work already accomplished, it may be answered that the effect of delay in making the political question wait upon the trade question is likely to endanger the very existence of the Empire. In no sense can we be said to abandon what we have accomplished on the trade question. As the matter stands now we have by resolution of the League and by a resolution in Parliament stated to Great Britain what we think desirable. We have no reason to change our minds in that respect, even though there should be no immediate prospect of our views being adopted. In fact, we seem to be so united on the general principles embodied in those resolutions that there would seem to be no necessity for further discussion of it amongst ourselves.

In the following remarks, the loyalty of the Canadian people to British connection renders it unnecessary to enlarge upon what may be called the sentimental consideration which plays so important a part in this question, and the business view alone is dealt with.

If the clear distinction between a temporary commercial treaty and a permanent Commercial Union is kept in view there is much to be said in favor of the former, although the limits of this paper forbid the subject being enlarged upon.

No matter whether the future of Canada be Imperial Federation or Independence, the question of the insurance of Canada's mercantile marine and other interests against risk from war, will, as a simple matter of business, have to be provided for by the Government and people of Canada. The question, from a purely business point of view, to be considered is whether this insurance can be more cheaply and effectively done by joining hands with Great Britain and the other self-governing colonies, or by maintaining a sufficient fleet of our own. Sooner or later that question must demand for itself the serious attention of Canada. A few figures will serve to show the rate at which ocean borne interests of Canada have increased during a comparatively short period of time.

In 1876, 8,544 Canadian seagoing vessels entered and cleared at Canadian ports, whilst in 1892, 13,720 Canadian vessels entered and cleared at Canadian ports, showing an increase in Canadian vessels of 5,166 entries and clearances in sixteen years. Statistical year-book of Canada, p. 408, (1892).

Then, there will be the contingency of an adequate consular service to be provided for, which in the event of Independence will mean a very large yearly expenditure. The British consular service, of which Canada to-day has the full benefit, costs Great Britain annually some millions of dollars.

Are we to wait, adhering to our present ignoble policy of drift, until perhaps a disastrous war shall have placed the opportunity at present within our reach forever beyond it?

It will be remembered that on the occasion of the last general election for the Canadian House of Commons (1891), the country was called upon to discuss the pros and cons of endeavouring to bring about a Reciprocal Treaty with the United States, and that shortly after the elections a deputation consisting of some of the members of our Government went to Washington to discuss the matter. The reception accorded to that deputation is still fresh in the minds of the Canadian people. It is suggested that if our statesmen would turn their attention more to improving our commercial relations with Greater Britain, not only would their reception be more cordial, but their chances of success might probably be greater, by reason of the desire of both parties to draw closer the bonds of union.

Should the League in Canada decide to adopt the principles embodied in the foregoing resolutions as the basis of the policy they decide to advocate, the following recommendations are submitted as a means of furthering the object, namely:— That two special committees of the League be struck, the one to consider and report on a scheme to federate Great Britain and her great self-governing colonies for the purpose of mutual defence on the basis of the Hofmeyer scheme. In this connection the committee might well endeavor to work out some of the practical suggestions contained in the little volume called, "England and her Colonies," containing five essays, "formulating a practical working plan for the federation of the Colonies and the Mother Country." In 1886 the London Chamber of Commerce offered a prize of £50 to be awarded to the writer of the best essay complying with the above conditions. The prize was awarded to Mr. William Greswell.

Stated shortly, it is here suggested that the Imperial Council, which shall have control of the British Foreign Policy and defence of the Empire, shall be composed of such members of the Privy Council, both in Great Britain and the self-governing colonies, as shall be nominated by the respective prime ministers, and whose appointments shall be ratified by the respective legislatures. They will, like other cabinet ministers, hold office during the lifetime of their respective governments. In number, the council as a whole should be as small as possible, with due regard to proportionate representation. Such proportion of representation to be in the ratio of the amount contributed by each part to Imperial Defence. The Imperial Council must have in itself the power to levy, under the Hofmeyer scheme, a sufficient tax for the purpose of Imperial Defence.

The other committee, to be called the Committee on Commercial Relations, to consider and report, having regard to existing treaties, what rearrangement of the commercial relations between Great Britain, Canada and the other self-governing colonies, is at present possible, so as to give to each the greatest possible advantage in the markets of the others, compatible with existing conditions. The last named committee to be composed as far as possible of members of the League engaged in Commerce.

That these Committees be instructed to formulate definite proposals to be submitted by the League for the consideration of the Inter-Colonial Conference to be held at Ottawa in June.

The reports of these Committees having been received and adopted, a strong deputation of the League should wait upon the Inter-Colonial Conference, and press upon it to use its influence to have these proposals submitted to a conference of the duly appointed agents of the respective Governments.

That some re-adjustment of the British Constitution is necessary, within the limits of the United Kingdom, has been demonstrated by the fact that the time of the British Legislature has been largely occupied for years by the Irish question, to the neglect of the English legislation. Whilst recognizing that the Irish question is one to be dealt with exclusively by the people of the United Kingdom, it is urged that as change is necessary and is now under consideration, a great opportunity is presented for such a remodelling of the constitution as will ultimately adapt itself to the requirements of Greater Britain.

The placing of the exclusive control of Britain's foreign policy, together with the control of the Army and Navy and other Imperial interests in the hands of an Imperial Council, in which the people of the United Kingdom, Canada, Australia and the other Colonies are to be represented, would, it is submitted, in itself form just such a guarantee against disintegration as would satisfy the English people, in giving to Ireland a sufficient measure of Home Rule.

Yours truly,

H. J. WICKHAM.

688 SPADINA AVENUE,
TORONTO, April 25th, 1894.

*I have tried to get down
to some first principles
H.J.W.*

control
members of
by the
s. They
In num-
entation.
Imperial
cheme, a

d report,
Britain,
greatest
named

League

on of the
to have
ments.
United
largely
ognizing
om, it is
nted for
Britain,
l of the
people of
ld, it is
English

AM.